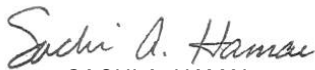


ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

21

JUNE 1, 2010


SACHI A. HAMAI
EXECUTIVE OFFICER

Los Angeles County
Board of Supervisors

June 01, 2010

Gloria Molina
First District

Mark Ridlev-Thomas
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

John F. Schunhoff, Ph.D.
Interim Director

Gail V. Anderson, Jr., M.D.
Interim Chief Medical Officer

**APPROVAL OF AMENDMENT TO URGENT CARE CENTER PHYSICIAN
SERVICES AGREEMENT WITH URGENT CARE ASSOCIATES, INC.
(SUPERVISORIAL DISTRICT 2)
(3 VOTES)**

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

Tel: (213) 240-8101
Fax: (213) 481-0503

SUBJECT

www.dhs.lacounty.gov

Approval of an amendment to extend the Proposition A Urgent Care Center Physician Services Agreement at Martin Luther King, Jr. - Multi-Service Ambulatory Care Center.

To improve health

through leadership,

service and education.

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Chair to sign the attached Proposition A (Prop A) Amendment No. 1 to Agreement No. 76927 with Urgent Care Associates, Inc. (UCA), effective upon execution, to update required County provisions and extend the term of the Agreement for the period of July 1, 2010 through June 30, 2013, for the continued provision of Urgent Care Center physician services at Martin Luther King, Jr., Multi-Service Ambulatory Care Center (MLK-MACC) at the same payment rates for a total estimated cost of \$9,017,100 for the three years.



PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of this recommendation will ensure the continued availability of Urgent Care Center physician services to County patients at MLK-MACC. The Urgent Care Center is open 16 hours a day, 7 days a week, and 365 days a year. The current Agreement with UCA expires on June 30, 2010. The recommended Amendment extends the term of the Agreement through June 30, 2013. In addition, the Amendment also updates the Health Insurance Portability and Accountability Act of 1996 provision, adds the required Defaulted Property Tax Reduction Program provisions, and makes minor clarifying changes to the statement of work.

Implementation of Strategic Plan Goals

The recommended action supports Goal 4, Health and Mental Health, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The per patient visit rate of \$83.50 for the Urgent Care Center physician services will remain the same through the Agreement's three year extension period. Based on an anticipated volume of 2,850 patient visits a month, the estimated expenditure for Fiscal Year (FY) 2010-11 is approximately \$3,005,700 and includes the \$12,500 per month rate for the Urgent Care Center Medical Director to perform 80 hours of administrative duties. Expenditures will vary depending upon the number of patient visits and/or the reduction to the Urgent Care Center Medical Director's monthly rate if the 80 hours in a given month are not provided. The total estimated cost for the recommended extension period is \$9,017,100.

Funding is included in MLK-MACC's 2010-11 Proposed Budget and will be requested in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On January 27, 2009, your Board approved the Agreement with UCA to provide Urgent Care Center physician services at MLK-MACC effective January 27, 2009 with services commencing on February 5, 2009 through June 30, 2010.

UCA provides physician specialists for MLK-MACC's Urgent Care Center in the areas of Family, Internal, and Emergency Medicine during the Urgent Care Center's operating hours. UCA is in compliance with the terms of the Agreement and is meeting the performance standards related to staffing levels and anticipated volume of patient visits. The improvement in patient flow at the Urgent Care Center under the supervision of UCA and MLK-MACC staff has resulted in an increase in the number of monthly patient visits and a decrease in a patient's length of stay. UCA continues to work in partnership with MLK-MACC staff to improve upon the basic day-to-day operation of the Urgent Care Center.

The County may terminate the Agreement for convenience with 90 calendar days written notice. The recommended Amendment includes the latest provisions mandated by your Board. The termination date of June 30, 2013 has been identified to provide coordination with the planned opening of the new MLK Hospital.

County Counsel has approved Exhibit I as to use and form.

CONTRACTING PROCESS

Not Applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommendations will ensure for the continued provision of physician services at MLK-MACC's Urgent Care Center.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John F. Schunhoff", with a stylized, flowing script.

JOHN F. SCHUNHOFF, Ph.D.
Interim Director

JFS:smc

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

AGREEMENT BY AND BETWEEN
THE COUNTY OF LOS ANGELES AND URGENT CARE ASSOCIATES, INC.
FOR URGENT CARE CENTER PHYSICIAN SERVICES AGREEMENT
AT MARTIN LUTHER KING, JR. - MULTI-SERVICE AMBULATORY CARE CENTER

AMENDMENT NO. 1

THIS AMENDMENT is made and entered into this 1st day
of June, 2010,

by and between	COUNTY OF LOS ANGELES (hereafter "County"),
and	URGENT CARE ASSOCIATES, INC. (hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled, "AGREEMENT BY AND BETWEEN THE COUNTY OF LOS ANGELES AND URGENT CARE ASSOCIATES, INC. FOR URGENT CARE CENTER PHYSICIAN SERVICES AT MARTIN LUTHER KING, JR. - MULTI-SERVICE AMBULATORY CARE CENTER", dated January 27, 2009, and further identified as County Agreement No. 76927 (hereafter "Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend Agreement to extend its term and to make the changes described hereinafter; and

WHEREAS, Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties.

NOW, THEREFORE, the parties agree as follows:

1. This Amendment shall become effective upon execution.

2. Paragraph 4 of Agreement , TERM OF AGREEMENT, shall be deleted in its entirety and replaced with the following:

"4. TERM OF AGREEMENT

This Agreement is effective upon January 27, 2009 through June 30, 2013, unless sooner terminated, in whole or in part, as provided herein."

3. Sub-paragraph 9.1 of Agreement, CONTRACTOR'S OBLIGATIONS AS A "BUSINESS ASSOCIATE" UNDER HEALTH INSURANCE PORTABILITY & ACCOUNTABILITY ACT OF 1996 (HIPAA), shall be deleted in its entirety and replaced with the following:

"9.1. HEALTH INSURANCE PORTABILITY & ACCOUNTABILITY ACT OF 1996

9.1.1 The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations ("HIPAA"). Contractor understands and agrees that, as a provider of medical treatment services, it is a "covered entity" under HIPAA and, as such, has obligations with respect to the confidentiality, privacy, and security of patients' medical information , and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of its staff and the establishment of proper procedures for the release of such information, including the use of appropriate consents and authorizations specified under HIPAA.

9.1.2 The parties acknowledge their separate and independent obligations with respect to HIPAA, and that such obligations relate to transactions and code sets, privacy, and security. Contractor understands and agrees that it is separately and independently responsible for compliance with HIPAA in all these areas and that County has not undertaken any responsibility for compliance on Contractor's behalf. Contractor has not relied, and will not in any way rely, on County for legal advice or other representations with respect to Contractor's obligations under HIPAA, but will independently seek its own counsel and take the necessary measures to comply with the law and its implementing regulations.

9.1.3 Contractor and County understand and agree that each is independently responsible for HIPAA compliance and agree to take all necessary and reasonable actions to comply with the requirements of the HIPAA law and implementing regulations related to transactions and code sets, privacy, and security.

9.1.4 Each party further agrees that, should it fail to comply with its obligations under HIPAA, it shall indemnify and hold harmless the other party (including the other party's officers, employees, and agents), for damages to the other party that are attributable to such failure."

4. Exhibit I of Agreement, CONTRACTOR'S OBLIGATIONS AS A "BUSINESS ASSOCIATE UNDER THE HEALTH INSURANCE PORTABILITY & ACCOUNTABILITY ACT OF 1996 (HIPAA) shall be deleted in its entirety.

5. Sub-paragraph 8.4 of Agreement, INTENTIONALLY OMITTED, shall be deleted in its entirety and replaced with the following:

**“8.4 CONTRACTOR’S WARRANTY OF COMPLIANCE WITH
COUNTY’S DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles Code Chapter 2.206.”

6. Sub-Paragraph 8.19 of Agreement, INTENTIONALLY OMITTED, shall be deleted in its entirety and replaced with the following:

**“8.19 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN
COMPLIANCE WITH COUNTY’S DEFAULTED PROPERTY TAX REDUCTION
PROGRAM**

Failure of Contractor to maintain compliance with the requirements set forth in CONTRACTOR’S WARRANTY OF COMPLIANCE WITH COUNTY’S DEFAULTED PROPERTY TAX REDUCTION PROGRAM Paragraph shall constitute default under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure of

Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this Agreement and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.”

7. Sub-paragraph 1.9, Board Eligible, shall be added to Exhibit A, Description of Services, as follows:

“1.9 Board Eligible: “Board Eligible” shall mean a physician who has completed their residency within the past 18 months in the specialty fields of Family Medicine, Internal Medicine, or Emergency Medicine. Physician shall be Board Certified within three years from the time he/she has completed their residency or fellowship program in the specialties of Family Medicine, Internal Medicine, or Emergency Medicine. If, in County’s discretion, the physician does not meet the requirements as described in this sub-paragraph 1.9, County may request the removal of the physician from the provision of services hereunder which removal shall occur forthwith.”

8. Sub-paragraph 3.13, Written Schedule, of Exhibit A, Description of Services, shall be deleted in its entirety and replaced with the following:

“3.13 Written Schedule

Contractor’s UCC Medical Director, or designee, shall prepare, on a monthly basis and in consultation and collaboration with MLK - MACC’s CMO, or designee, a written schedule of UCC coverage for shifts requiring Contractor coverage including the UCC Medical Director’s work hours. Such schedule shall be presented in duplicate for review and approval by the MLK–MACC’s CMO at least one (1) month prior to the first day of the scheduling month.”

9. Sub-paragraph 3.14, Invoice, of Exhibit A, Description of Services, shall be deleted in its entirety and replaced with the following:

“3.14 Invoice

Contractor shall provide County with a complete invoice on a semi-monthly basis in accordance with specifications to be provided by County, in order to receive payment from County. Such invoices shall include separate documentation/schedule that Contractor’s UCC Medical Director, and/or in combination with designee’s time, spent at least eighty (80) hours during the invoiced month on MLK-MACC UCC administrative duties. Contractor shall identify the UCC Medical Director (include the individual’s first and last name) for each administrative duty performed and time that is billed to the County.”

10. Sub-paragraph 1.1 of Exhibit B, BILLING, PAYMENT AND SCHEDULE OF RATES, shall be deleted in its entirety and replaced with the following:

"1.1 Contractor shall bill County semi-monthly in arrears, in accordance with the terms, conditions, and rates set forth below. All billings shall clearly reflect and provide reasonable detail of the services for which claim is made, including, but not limited to, name of the physician who provided services, date of service, the authorized rate, and any other charges or credits, as set forth in this Agreement. In addition, and as to the UCC Medical Director, all billings shall clearly reflect and provide reasonable detail of the administrative activities performed by UCC Medical Director (include identifying information such as first and last name), the dates on which they were provided, and the number of hours dedicated to these administrative functions."

11. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Chair and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.



COUNTY OF LOS ANGELES

By *[Signature]*
Chair, Board of Supervisors

SACHI A. HAMAI
Executive Officer,
Board of Supervisors of
the County of Los Angeles

URGENT CARE ASSOCIATES, INC.
Contractor

By *[Signature]*
Signature

By *Lachelle Smitherman*
Deputy

Title *PRESIDENT UCA*

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL

By *Sham A. Neshim*
County Counsel

I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By *Lachelle Smitherman*
Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

21

JUN 1 2010

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER



76927

Supplement No. 7